

SUSTAINABLE FINANCE, TOO GREEN TO BE TRUE?

How greenwashing, poor-quality products and bad advice are stopping consumers from investing sustainably

Findings from an 11-country consumer survey on sustainable finance



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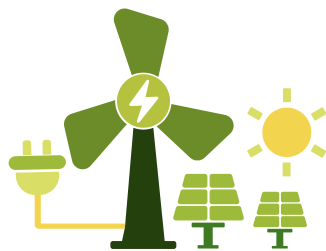
¹ Gathering five national consumer organisations and giving voice to a total of more than 1.5 million people in Italy, Belgium, Spain, Portugal and Brazil, Euroconsumers is the world's leading consumer cluster in innovative information, personalised services and defence of consumer rights. Its European member organisations are part of the umbrella network of BEUC, The European Consumer Organisation. Together they advocate for EU policies that benefit consumers in their daily lives.

In a nutshell

22% of consumers only save in their current account or with cash at home, while 61% use other instruments, including savings accounts, pension plans, Exchange-Traded Funds (ETFs), bonds, and crypto assets. A smaller group (17%) have not saved or invested at all in the past three years.

Consumers interested in sustainable finance want investments that have positive impacts (86%) and transition high-emission sectors towards sustainability (71%). Additionally, many respondents would exclude companies or activities that support fossil fuel expansion (62%) or fossil fuel-intensive firms (61%).

Over half (51%) of potential sustainable investors would avoid the defence sector.



Sustainable investors consistently felt less informed about sustainability aspects than financial aspects: 73% felt fairly to well informed about the financials, while only 45% felt the same on sustainability aspects.

Over a third

cite misleading, hard to verify, or unreliable green claims as a reason not to invest in sustainable finance products.



Over a quarter

of investors (27%) currently or previously invested in sustainable products. 41% of consumers would consider investing in sustainable products, while nearly a third (31%) are unsure.



Product names influence sustainable investors, with 85% swayed by green wording. Consumer opinions on sustainable finance show clear majorities: products should follow “strong rules” on what is sustainable (76%), be backed up by scientific data (71%), be available to every retail investor (67%), and more than half (52%) agree that the distinction between regular and sustainable investments is unclear.

Many consumers have misplaced trust in the current framework with 52% of sustainable investors wrongly believing products comply with strict laws on what is sustainable, while 49% think the products are verified by a supervisor, which, again, is not the case.



If they were misled by greenwashing, 41% would feel manipulated, 34% would stop using that service provider, 31% would become less confident in green claims overall, and 25% would be discouraged from sustainable investment.

Why this survey?

Sustainable finance has the potential to deliver benefits for retail investors and wider society. However, the EU's sustainable finance framework is letting consumers down, as greenwashing in so-called "sustainable" investment products is widespread.

In order to tackle greenwashing, the European Commission has committed to reviewing one of the key parts of this framework – the Sustainable Finance Disclosure Regulation (SFDR). Previous research, like the [Eurobarometer on Retail Financial](#)

[Services and Products](#), has concluded that a majority (62%) of consumers do not want their savings to fund activities that damage the planet.

However, more detailed evidence on what is important to consumers when investing sustainably is needed. This BEUC survey explores the expectations and experiences of consumers in relation to sustainable finance products, allowing us to understand what these products should offer in practice.



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Methodology

The survey is a joint effort from The European Consumer Organisation (BEUC), International Consumer Research & Testing (ICRT) and Euroconsumers and 13 consumer organisations: Testachats, Forbrugerrådet Tænk, UFC-Que Choisir, Stiftung Warentest, Altroconsumo, Consumentenbond, Forbrukerrådet, Federacja Konsumentów, DECO PROteste, Asufin, Federación de Consumidores y Usuarios (CECU), Organización de Consumidores y Usuarios (OCU), and Sveriges Konsumenter.

An English language questionnaire was developed by Euroconsumers and BEUC, then translated and adapted to the national context of the 11 participating countries: Belgium, Denmark, France, Germany, Italy, the Netherlands, Norway, Poland, Portugal, Spain and Sweden.

The fieldwork was carried out in parallel in the 11 countries between 23 May and 17 June 2025. The data, collected via an online questionnaire, was analysed and reported by Euroconsumers.

In each participating country, roughly 1,000 individuals were surveyed, addressing a sample of the population aged 25–64. For each country, the sample was *a priori* stratified, and *a posteriori* weighted to ensure the sample was representative in terms of gender, age, educational level and geographical area.



The Sustainable Finance Disclosure Regulation – too much space for greenwashing

Many consumers want to live more sustainably and often consider the environmental and social impacts when purchasing products or services. The same is true when it comes to saving or investing. Many consumers would like to see their assets invested in sustainable companies or firms transitioning towards sustainability. The financial market has responded to the consumer demand for sustainable finance products with overwhelming eagerness to provide the supply. The latest [data](#) shows that assets in SFDR funds account for 59% of the total market share.

However, consumers are not able to verify if the products offered to them match their sustainability preferences, as they lack independent advice and trustworthy green claims.

Weak sustainability criteria have allowed products to market themselves as green under the EU's sustainable finance framework despite not being as sustainable as consumers would reasonably believe. These practices harm consumers, the environment and undermine trust in genuine sustainable claims.

Green claims can take many forms, such as adding 'green' terms to a product's name or making promises to consider environmental and social characteristics. Visual marketing is also used to make a fund appear green.

Information about the investment portfolio is hidden in background documents using complex and specialised language. Consumers cannot be expected to read hundreds of pages to determine whether the investment product sold as "sustainable" is in fact sustainable.



A [2022 investigation](#) found that nearly 400 of the funds, which are supposedly the EU's highest standard of green investing, contained investments in fossil fuels and aviation. A [2025 investigation](#) showed how EU green funds held over \$33bn in the oil and gas majors. This included \$18bn to the five biggest polluters.

Main takeaways

1. Consumers want to take action against climate change and are trying to reduce their environmental impact across their daily lives

Four out of five consumers (80%) agree that there are major consequences resulting from climate change. Most (52%) think that governments are not doing enough to incentivise consumers to live sustainably. Yet despite that, many consumers are already making efforts to live sustainably, agreeing that it is important to adopt sustainable behaviours (83%), stating that they take actions to live in an environmentally-friendly way (68%), with environmental aspects influencing their buying decisions (42%), and that they are ready to pay more for truly sustainable products (42%).

Two thirds of respondents (66%) put their trust in science to correctly assess that

climate change is real, while 68% disagree with the claim that climate change is not caused by human activities. Over half of respondents disagree with claims that climate change's impacts on the planet are exaggerated (54%), and that individuals' personal behaviour will not make a difference to climate change (52%).

41% of respondents would consider investing in sustainable products in a hypothetical scenario. While 31% were not sure about making such investments, they were not opposed to the idea.

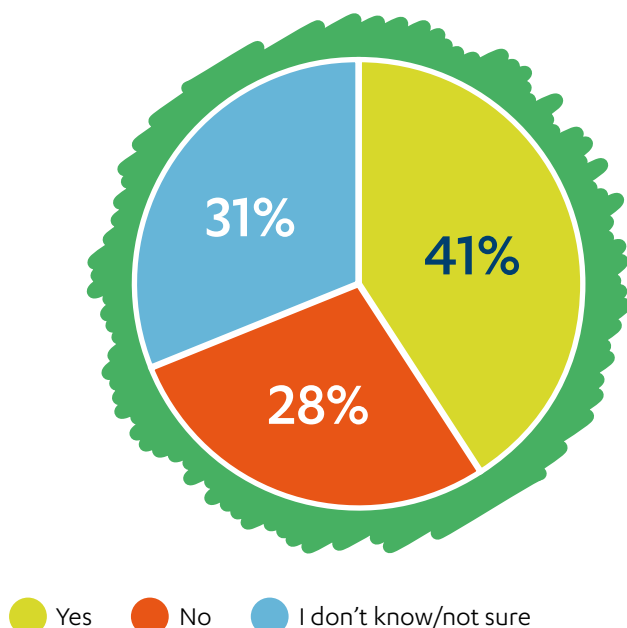
In fact, most people (55%) have never been offered these types of financial products. The misleading, hard to

verify and unreliable nature of green claims was cited as the main reason that respondents would not invest in sustainable products, at over a third (34%).

At a national level, the highest interest in sustainable investing was found in Italy (49%) and Sweden (49%) while Spain (35%) and Poland (28%) showed the least interest.

Consumers are willing to prioritise the EU's goal of funding the European economy. Respondents would favour investing in their region (7%), their own country (39%), and European companies (20%). Only 23% would first consider investing in companies globally.

Would you consider saving or investing in green/sustainable products?



41%
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2. Consumers' experience of investing, sustainable and otherwise, is underdeveloped

Europeans continue to be great savers, but not investors.

83% of respondents have been saving in one way or another in the past three years. However, more than a fifth (22%) are doing so just by keeping money in their current account or keeping cash at home.

While two in five (40%) were putting money into a savings or time deposit account, even fewer were using capital market instruments like pension plans or retirement funds (22%), funds or ETFs (19%), bonds or shares (18%). 13% of respondents were investing in crypto-assets.

Just 17% of respondents said that they have not been saving or investing in the past three years.

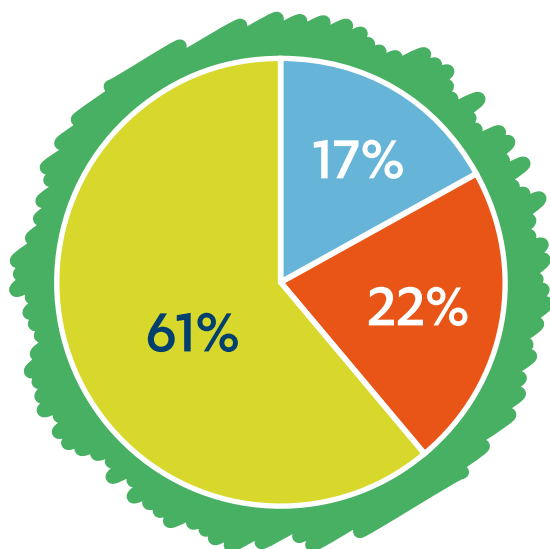
Of those who have not been saving or investing, a large majority (82%) stated that they do not have enough money to put some aside. By contrast, other reasons – including concerns about risks, not being interested, or not knowing how – were selected less commonly, each by fewer than 7%.

Most retail investors have never saved or invested in sustainable finance products. Respondents who saved or invested through a mainstream product like a pension plan, ETF, bonds, or savings

account were asked about whether they had ever saved or invested in “sustainable” financial products. 19% reported that they were currently doing so. Meanwhile, 9% claimed that they had previously, but were not doing so anymore. While 18% were unsure or did not know, over half (55%) stated that they had never done so.

Over two-thirds (67%) agree that every retail investor should have the opportunity to invest in sustainable financial products, even though four in 10 (39%) agree that they would prefer not to have to consider sustainability when investing in regulated products. Although 38% neither agree nor disagree on this point.

In the past 3 years have you been personally saving or investing money in any of the following ways?



- No savings/investments
- Saving only on bank account or keeping cash at home
- Other kinds of savings/investments

83%

of respondents have been saving in one way or another in the past three years.

3. Consumers rely strongly on the finance industry as well as their social circles to make financial decisions

Consumers rely on their social circle and the finance industry for information when it comes to making personal finance decisions.

Over half of consumers (52%) reported their friends, family and acquaintances as a source of information when making personal finance decisions, while 50% received information from bank employees or other financial advisors. Two in five of the surveyed consumers (41%) are using bank or investment company websites to help inform their decision-making.

A quarter of consumers (25%) are getting information from consumer organisations. Traditional media remains an important source for almost three out

of 10 respondents (28%). This beats out social media as a source, which is used by 21%. Artificial intelligence assistants have quickly become a widespread tool, with one-fifth of consumers (21%) using them as a source of information to make financial decisions.

Less than one in five consumers are sourcing information from promotional brochures (18%), online influencers (14%), and non-governmental organisations (14%).

In terms of what sources were useful, just over half (53%) found that bank staff or advisors were very useful. Friends and family followed closely at 48%. Consumer organisations (44%) and finance industry websites (42%) also ranked highly.

AI assistants were deemed very useful by 38%, outranking traditional media sources (30%), non-profit organisations/NGOs (28%), social media (27%), finance advertisements or promotional brochures (24%) and online influencers (16%).

The most popular intermediary through which people invested sustainably was their main bank, either online or at the branch, with 45% doing so. 16% opted for a bank or company specialised in investments. Meanwhile, a similar amount (16%) went the digital route through an online broker/trading platform or app. Independent investment or insurance brokers (9%), insurers (6%), and wealth management companies (6%) were less common intermediaries for those who invested sustainably.

Sources of financial information & perceived usefulness



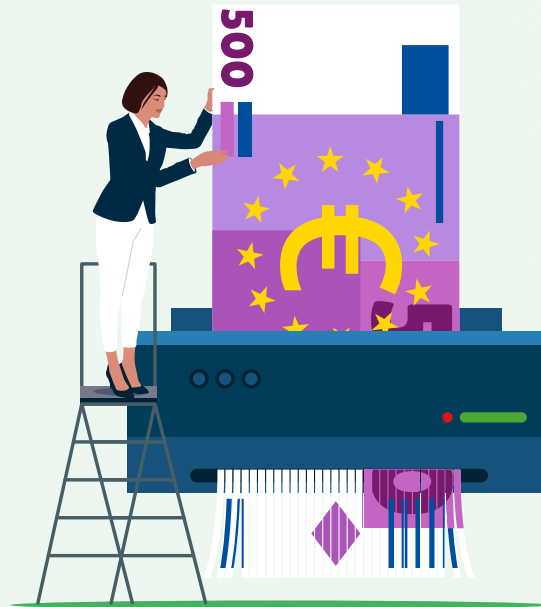
The Price of Bad Advice

Financial advice can help consumers make big financial life decisions, like getting a mortgage or setting up a pension plan, by navigating often highly complex products.

Unfortunately, the [quality of advice varies enormously](#). Acting in the best interests of clients, a core principle in financial regulation, often comes as an afterthought. In most cases, financial ‘advice’ is nothing more than a commission-driven sales pitch trying to sell the consumer particular products which offer greater rewards for the salesperson.

There are several levers that could be pulled to improve the advice consumers get.

- Banning commission on investments and complex financial products.
- Simple and complete cost transparency on all consumer information documents.
- Investigate how services like independent guidance, not advice, can help consumers.
- Set minimum professional requirements for financial advisors.



Even though advisors may be more focused on, or compelled by their employer to, securing a high commission rather than best serving their client, consumers often feel like they have received a good service. The complexity of financial products can be intimidating, and advisors have a personal interest in convincing consumers that they are making the right decision by conveying a feeling of security and confidence, even if consumers are objectively not well taken care of.

4. Information on sustainability remains poor

Of those who had previously invested in sustainable finance products, **85% responded that the use of green/sustainability wording in the product name influenced them at least to a certain extent.** Over a quarter (27%) stated that such wording influenced their financial decision a lot.

15% of consumers think they have previously been offered or bought a financial product that was not as sustainable as they were led to believe. **The most cited reason that these products were not up to scratch, picked by 49% of**

respondents, was that they lacked clear sustainability criteria.

Our survey found that retail investors consistently felt better informed about the financial aspects of their products than the sustainability aspects.

On estimated return, 54% reported being well informed. Regarding fees, this was at 58%. Similar levels were seen on aspects including investment universe (47%) and asset classes (52%). The contrast with sustainability was clear. On their products' exclusion policies, only

31% reported being well informed. A similar level (31%) reported being well informed on their product's engagement policy.

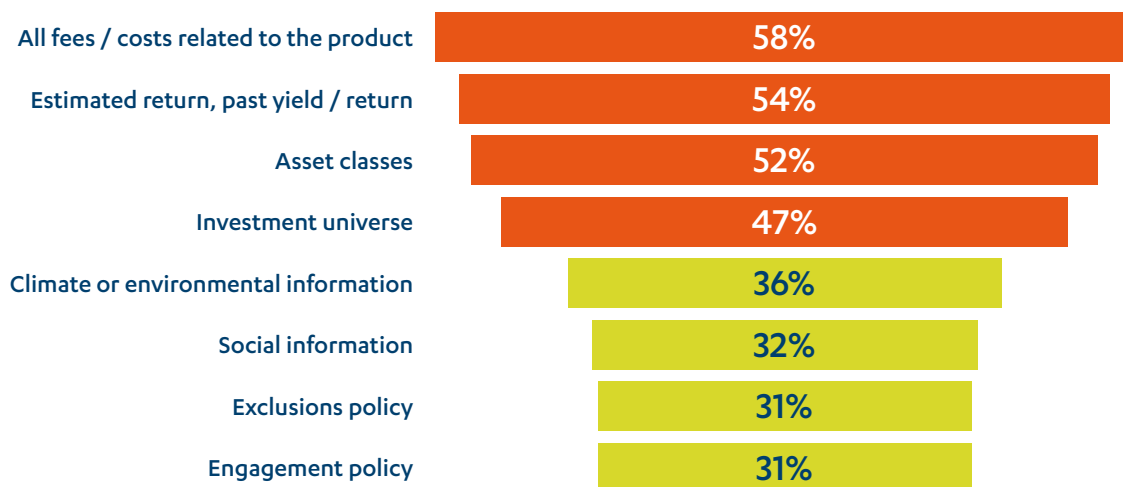
On climate/environmental information, 36% were well informed, but for social information, it was just 32%.

The results showed that while 73% of respondents feel fairly to well informed about the financial aspects of their product, just 45% were fairly to well informed about the sustainability aspects of the product.

How much does green wording in a product name influence your financial decision?



To what extent were you informed about ...



5. Consumers demand more out of green claims in financial services

Many consumers have a range of expectations of products using “sustainable” or other “green” claims.

The most common expectation was that these products meet sustainability requirements established by law (48%). Many (42%) also expect these products to align with ESG principles, while over a third (38%) expect these to set carbon emissions targets. Similarly, 36% of respondents think these products encourage companies’ transitions towards more sustainability.

Consumers interested in sustainable investing want investment strategies that can create positive contributions to sustainability and the transition, including by excluding unsustainable sectors.

They would invest in companies or sectors that have positive sustainability impacts (86%), and in high-emission firms or sectors that are actively reducing their environmental impact (71%).

Many consumers would exclude companies that are expanding the use or

production of fossil fuels (62%), and that have a high demand for fossil fuels (61%).

Respondents also would avoid investing in companies that use socially-harmful practices (60%), lack transition plans (60%), and have poor governance, such as corruption or tax avoidance (61%). At least 31% of respondents would still exclude all of the above, even if it meant a lower return. Just over half (51%) of respondents would avoid investing in the defence sector from their sustainable investments.

6. There are clear expectations for green claims to be trustworthy and clearly defined

Our survey found that consumers are demanding that sustainable finance be more than just marketing spin. **Three-quarters (76%) agree that sustainable financial products should be subject to strong rules about what is “sustainable”.** The highest agreement on this was found in Portugal (82%), while Poland was the lowest, but still a clear majority at 71%.

Almost six in 10 (59%) believe that sustainable investment claims, such as fossil fuel-free, should be standardised. Meanwhile, over half of respondents (52%) agree that the distinction between sustainable and ordinary investments is unclear.

Consumers are overestimating what checks sustainable finance products are subject to. Our survey results revealed that many people have misplaced trust in how stringently controlled “sustainable”

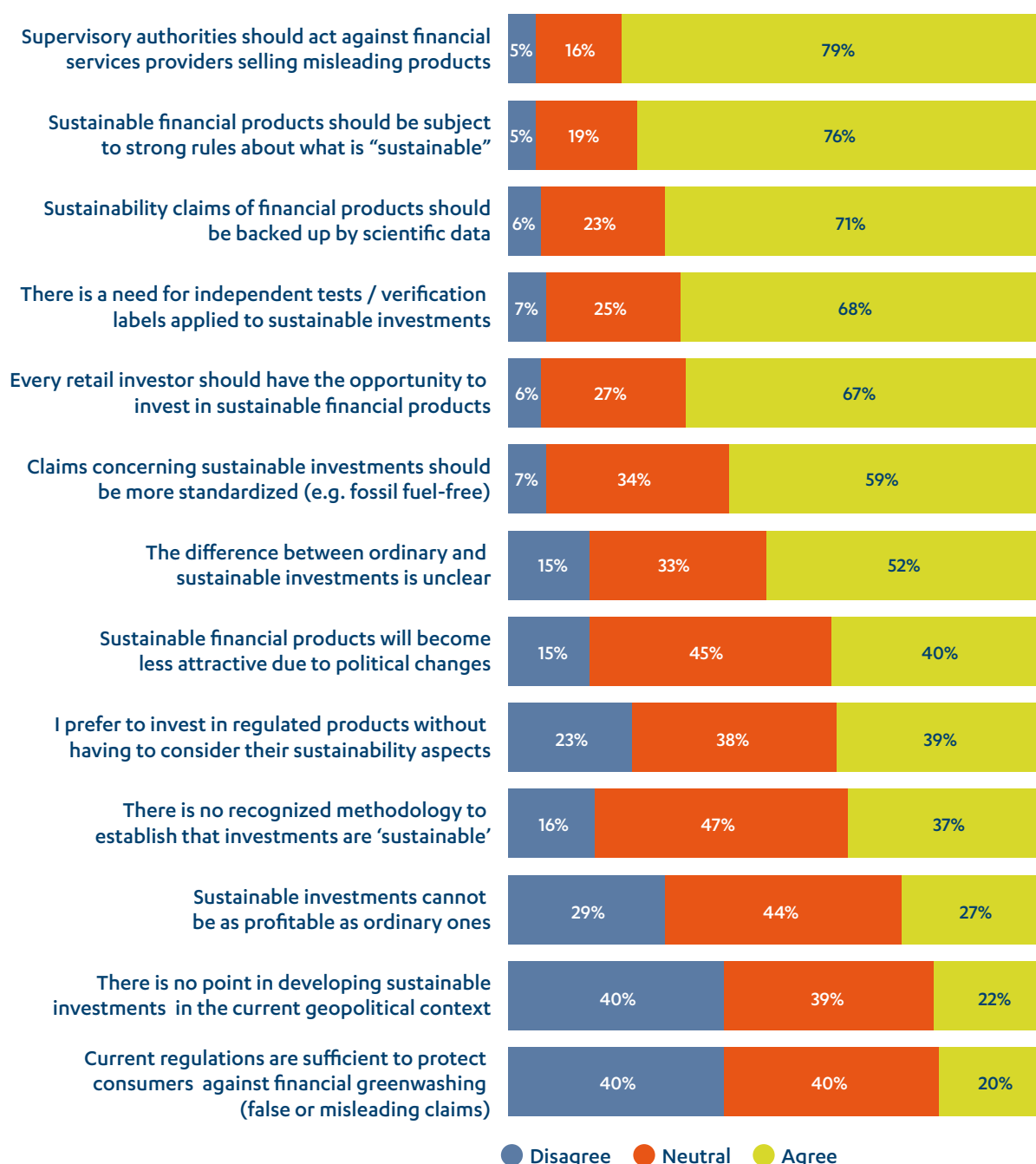
financial products are. This is especially true of consumers who have invested in these products. 52% of sustainable investors have high to complete trust that these products comply with “strict” laws about what can be sold as sustainable. 49% have the same level of trust that these products are verified by a supervisor. While this is not the case, sustainable investors have been led to believe they are being sold a product with trustworthy claims. This helps to explain how almost three-quarters (72%) declared they were satisfied overall with their product.

71% agree that sustainability claims should be backed up by scientific data, and 79% agree that supervisory authorities should take action against providers selling misleading products. While almost seven out of 10 (68%) respondents agreed that there is a need for independent tests or verification labels applied

to sustainable investments, consumers were more sceptical of the current regulations being sufficient, with 40% stating they were insufficient, and 40% unsure. Close to half (47%) of surveyed consumers were unsure whether or not there is a recognised methodology to establish if investments are “sustainable”.

Although many (40%) people believe political changes in the EU and US could make sustainable finance less attractive, a similar level (40%) of respondents disagree with the point that there is no value in developing sustainable investments further. Slightly more people disagree (29%) than agree (27%) with the idea that sustainable investing is less profitable than ordinary investing. However, a sizable minority (44%) are unsure or neutral. [Empirical studies](#) suggest that sustainable assets perform equally well or better in terms of return than conventional ones.

Do you agree with the following statements



If consumers are misled by a greenwashed financial product, this experience can leave a lasting impression on them. **Four in 10 (41%) stated that they would feel manipulated.** 31% would feel less confident in green claims overall, while a quarter (25%)

would be discouraged from investing in sustainable finance products. Over a third (34%) would stop buying from that service provider.

Looking at the country level, these potential feelings of manipulation were

found to be highest in Denmark (49%) and Spain (45%). In Norway, more than four in 10 (41%) would be discouraged from investing in sustainable finance products. In the Netherlands, over a third (35%) would feel less confident in green claims overall.

Policy recommendations

The European Commission is preparing to propose a review of the Sustainable Finance Disclosure Regulation (SFDR). The evidence found in BEUC's survey offers key insights into the shortcomings and opportunities in the sustainable finance framework. The following policy recommendations could assist in improving the framework:



The SFDR should offer two mutually exclusive product categories with minimum criteria: one focusing on sustainable companies and one on those transitioning towards it. Consumers interested in sustainable finance expressed strong support for positive sustainability impact (86%) and for investing in companies actively reducing their environmental impact (71%).



Sustainable products should allow investing that does no harm and has a positive contribution. Taxonomy alignment and a stronger sustainable investment definition can be used alongside exclusions. Many consumers interested in sustainable finance want to avoid fossil fuel expansion (62%), fossil fuel-intensive activities (61%), socially-harmful practices (60%), or poor governance (61%). The [Platform on Sustainable Finance \(PSF\)](#) suggested exclusion criteria provide a clear and well-defined list.



Transition products should facilitate investment in companies moving towards sustainability. Having a credible climate transition plan should be obligatory for companies included in these products. Six in 10 interested in sustainable finance would avoid investing in companies lacking climate transition plans.



Transition products should exclude always significantly harmful (ASH) companies, preventing carbon lock-in. 62% of consumers interested in sustainable finance would avoid companies that are expanding use or production of fossil fuels and 61% would avoid sectors that have a high demand for fossil fuels.



Strong marketing and naming rules must prevent non-categorised products from portraying themselves as having or promoting sustainability characteristics and that categorised products are sufficiently distinct from each other (e.g. Products in one category are not sold using terms related to another category). 85% of consumers are influenced by sustainable wording in product names, while 52% think the distinction between sustainable and conventional funds is unclear.



Financial advisers should have the necessary expertise about sustainability to inform consumers. Consumers felt consistently less informed about the sustainability aspects (45%) of their product relative to the financial aspects (73%). Additionally, adjustments to the Markets in Financial Instruments Directive (MiFID II) and the Insurance Distribution Directive (IDD) should be made to incorporate the new categories.



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